

STATE OF IOWA
DEPARTMENT OF COMMERCE
UTILITIES BOARD

IN RE: IES UTILITIES INC. AND INTERSTATE POWER COMPANY n/k/a INTERSTATE POWER AND LIGHT COMPANY	DOCKET NOS. EEP-95-1 EEP-94-40
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ORDER APPROVING MODIFICATION TO ENERGY EFFICIENCY PLANS

(Issued June 27, 2002)

On May 28, 2002, Interstate Power and Light Company (IPL) filed with the Utilities Board (Board) a proposal to modify the energy efficiency plans of its two predecessor utilities, IES Utilities Inc. (IES) and Interstate Power Company (Interstate Power). Those energy efficiency plans are still in effect and available to former customers of IES and Interstate Power. IPL proposed to reduce the budget and goals for gas energy efficiency programs for both IES and Interstate Power. The Iowa Industrial Energy Group filed a statement on June 4, 2002, indicating it did not object to the modification. The Consumer Advocate Division of the Department of Justice filed a response on June 11, 2002, stating it agreed with the proposed modification. The Iowa Industrial Intervenors and Ag Processing Inc. filed a statement of non-opposition to the modification on June 13, 2002. No objections to the modification were filed.

In support of the modification, IPL said the revised budget and goals better reflect market potential and are more reflective of spending by other investor-owned

utilities. Because gas transportation customers do not pay for or participate in gas programs, the continuing shift by customers to become transport customers reduces the market for IPL's gas energy efficiency programs.

The Board has reviewed the proposed modification and will approve it. The modification is for the year 2002 and will continue until a new energy efficiency plan goes into effect. The budget and goals appear more realistic and attainable, particularly considering the continuing shift to transport gas.

However, in reviewing the modification request, the Board notes that the goals for the electric programs included in the request may not be consistent with previously filed data. These discrepancies will be discussed by the Board's staff at the next quarterly meeting with IPL. These meetings are open to all interested persons and are regularly attended by other parties to these dockets.

IT IS THEREFORE ORDERED:

The request to modify the energy efficiency plans of IES Utilities Inc. and Interstate Power Company, filed by Interstate Power and Light Company on May 28, 2002, is approved.

UTILITIES BOARD

/s/ Diane Munns

/s/ Mark O. Lambert

ATTEST:

/s/ Judi K. Cooper
Executive Secretary

/s/ Elliott Smith

Dated at Des Moines, Iowa, this 27th day of June, 2002.